BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA

APPLICATION FOR CERTIFICATION
OF THE
MALBURG GENERATING STATION
BY THE CITY OF VERNON

DOCKET No. 01-AFC-25 DATA ADEQUATE MAY 8, 2002

ERRATA TO THE PRESIDING MEMBER'S PROPOSED DECISION

The following list of Errata shall be incorporated by reference into the Presiding Member's Proposed Decision (PMPD), which is scheduled for hearing by the full Commission at its May 20, 2003, Business Meeting. The Errata are based on the comments filed by the parties during the 30-day comment period. While some of the Errata expand our discussion of the evidentiary record and include redrafted Conditions of Certification, none of the Errata change the substantive findings and conclusions of the PMPD.

INTRODUCTION

Page 2, first paragraph, first sentence:

The power plant consists of two turbine generators (CTGs) equipped with dry low-NO $_{\rm X}$ (DLN) combustors for oxides of nitrogen (NO $_{\rm X}$) control; two heat recovery steam generators (HRSG), each equipped with a $\frac{150}{10}$ -foot tall exhaust stack....

Page 2, third paragraph, first sentence:

The project requires construction of a new 1,300-foot natural gas pipeline to deliver fuel from the existing SoCalGas City of Vernon gas distribution system located along Fruitland Avenue.

Page 3, first paragraph, last sentence:

At the intersection of Boyle Avenue and 50th Street, the line will head west along 50th Street, then north along Seville Avenue approximately 350 feet and, then east into the site approximately 400 feet into the project site.

Page 4, second full paragraph, beginning with line 5:

would have limited.... [delete last two sentences of the paragraph and insert.] The parties also proposed language to allow the City to develop alternatives "in place of the measures" described in the Condition if the limit could not be achieved. The Committee, however, directed the parties to revise their proposal to reflect attainable limits so it would not be necessary for the City to request a revision after certification. The parties subsequently submitted new limits (235 ug/m³ for NO₂ and 50 ug/m³ for PM₁₀), which we have incorporated into the Condition. However, we reject the parties' proposal to allow the City to develop alternatives in place of the measures identified in the Condition. We are required to specify the measures intended to mitigate impacts identified in the record. The parties do not have discretion to change the terms of Conditions of Certification without the review set forth in Section 1769 of the Commission's regulations. (Cal. Code of Regs., tit. 20, § 1769.)

Page 5, first full paragraph, after second sentence:

The City indicated these improvements would be necessary but provided no information on the timeline for completion. At the Committee Conference, the City reported that the single in-line pressure-reducing station would not be necessary for the project based on the location of the pump station and existing pipeline system. However, individual pressure-reducing stations will be necessary at approximately 9 existing recycled water customer sites and will be completed before project start-up. Although the individual pressure-reducing

stations are not required to supply the reclaimed water needs of the MGS project, CBMWD will complete these stations before recycled water is supplied to MGS in order to minimize interruptions to existing recycled water customers near the pump station.

Page 6, first paragraph, last sentence:

The City provided written confirmation that <u>it has finalized a project labor</u> <u>agreement with</u> the <u>California State Building and Construction</u> Trades will complete a project labor agreement with the City for construction and operation of the project upon certification.

PROCEDURAL HISTORY

Page 9, third full paragraph, second sentence:

The notice was mailed to members of the community who were known to be interested in the proposed project, including the owners of land adjacent to or in the vicinity of the MPP MGS.

Page 9, fourth paragraph, last sentence:

The participants also toured the City of Vernon's existing Malburg Generating Station Station A compound where the MGS will be situated.

PROJECT PURPOSE AND DESCRIPTION

Page 12, first paragraph, third sentence:

Station A includes five diesel <u>turbine</u> generators <u>that are used during State</u> <u>declared Stage 3 emergencies</u> and two natural gas-fired combustion turbine units that are used only for <u>emergency</u> peaking.

Page 12, first paragraph, second to last exhibit:

Page 12, end of first paragraph:

PROJECT SITE AND FACILITIES

Page 12, third paragraph, first sentence:

The site will accommodate the new MGS facility, a reclaimed water treatment facility, an emission control building, storage tanks, parking area, and storm retention basins. (Ex. 1, pp. 3-1, 3-3.)

Page 14, first paragraph, last citation:

(RT 2/10/03, pp. 30-50; Ex. 37.)

TRANSMISSION LINE AND NATURAL GAS FACILITIES

Page 14, third paragraph:

Natural gas (fuel) will be supplied from a 1,300-foot pipeline that will be constructed to deliver fuel from the existing SoCalGas City of Vernon gas distribution system located along Fruitland Avenue. (Ex. 1, p. 3-49, § 3.8.3.6, Ex. 1, p. 6-1, § 6.1, and Ex. 34, p. 5.4-4). The pressure of natural gas delivered to the site is expected to be between 275-400 pounds per square inch gauge (psig). (Ex. 1, pp. 3-1, 3-13 3-14.)

WATER SUPPLY AND WASTE WATER TREATMENT

Page 15, first paragraph, last sentence:

At the intersection of Boyle Avenue and 50th Street, the line will head west along 50th Street for approximately 2,800 feet, then north along Seville Avenue approximately 350 feet and then head east into the site approximately 400 feet into the project site.

Page 15, third paragraph, first sentence, first citation:

(Ex. 1, pp. 3-17, 7-5.)

Page 16, first paragraph, first sentence:

A 1,300-foot long 12_15-inch sewer line from MGS to Fruitland Avenue will be required for discharge to the local sewer.

Page 16, first paragraph, first citation:

(...Ex. 34, p. 3.3; Ex. 38, Project Description.)

Project Schedule

Page 16, second paragraph, last two sentences:

... life of 30 years or longer. (Ex. 1, p. 3-43.) Applicant estimates the capital costs associated with the project will be approximately \$153_142 million. (Ex. 1, p. 3-40; Ex. 3, p. 4-4.)

COMPLIANCE AND CLOSURE

Page 45, KEY EVENTS LIST:

COM-8 7

COMPLIANCE PROJECT MANAGER: Christopher Meyer

FACILITY DESIGN

Page 50, first paragraph, last citation:

(*Id.* at Ex. 34, p. 5.1-3.)

POWER PLANT EFFICIENCY

Page 70, Section 1, Potential Effects on Energy Supplies and Resources, first sentence:

The MGS will burn natural gas at a maximum rate of 810 million Btu per day hour lower heating value (LHV) without duct firing, and 951 million Btu per day hour with duct firing.

Page 70, Section 2, Need for Additional Energy Supplies or Capacity, first three sentences:

Natural gas for the MGS will be delivered by SoCalGas City of Vernon via a new 1,300-foot section of 10-inch pipeline. The SoCalGas City of Vernon system is capable of delivering the required quantity of gas to the MGS. Furthermore, the SoCalGas City of Vernon gas supply represents an adequate source for a project of this size. (Ex. 1, p. 3-49, § 3.8.3.6, Ex. 1, p. 6-1, § 6.1, and Ex. 34, p. 5.4-4.)

6

Page 71, Change subsection 1. to $\underline{4}$. Alternatives to Wasteful or Inefficient Energy Consumption

Page 72, first paragraph (continued from previous page), last citation:

(Ex. 1, §§ 1.1, 1.2, 3.1, 2.4 <u>3.4</u>, 3.8; Ex. 34, p. 5.3-3.)

Page 72, third paragraph, last sentence:

The Alstom GTX100 in a two-on-one combined cycle configuration is nominally rated at 124.5 MW and 54 percent efficiency LHV at ISO conditions.

POWER PLANT RELIABILITY

Page 75, Section 3, Fuel and Water Availability, last line, to Page 76, first line:

... existing SoCalGas City of Vernon transmission system (Ex. 1, §§ 1.2, 1.8, 3.1, 3.4.6, 3.8.3.6, Ex. 34, p. 5.4-4; Ex. 1, p. 6-1, Section 6.1.)

TRANSMISSION SYSTEM ENGINEERING

Page 80, first paragraph under Summary of the Evidence:

The City of Vernon's 66 kV municipal electric system is part of the Cal-ISO control area and is tied to the Southern California Edison (SCE) bulk power system and the Cal-ISO grid at the Laguna Bell 230/66 kV Substation. The City serves its customers with a combination 26.5 MW generated by the City's existing Station A facility at the Vernon 66 kV Substation and additional capacity of about 96 MW purchased from third party suppliers over the Cal-ISO grid. The City has existing diesel and gas-fired generating plants for a total capacity of about 28.5 MW located at the existing Vernon 66 kV Substation. Additional

generating capacity of about 96 MW is available from the qualifying and merchant facilities within the system. The City serves its electric customers with a combination of its own generation and long-term wholesale power supply contracts. As such, the city currently depends on third party suppliers over the Cal-ISO grid for over 90 percent of its ancillary services and energy needs, and this creates uncertainty about providing reliable energy supply to the City's electric customers. The new plant will substantially reduce the need to purchase power from the wholesale power market, relieve the burden on the State's power resources, and will provide more efficient and reliable local power to the City's customers. (Ex. 34, p. 5.5.3)

Page 81, under Potential Impacts on System Reliability, first paragraph:

After consultation with Cal-ISO, Applicant's consultants, Navigant Consulting, Inc. (NCI) performed a revised System Impact Study (SIS) for the City of Vernon to identify potential system impacts resulting from interconnection of the MGS to the City's municipal grid, SCE, and the Los Angeles Department of Water and Power (LADWP).8 (Ex. 20; see also, Ex. 2, § 9, Ex. 3; Ex. 4; Ex. 34, p. 5.5-5.) The SIS was performed in consultation with the Cal-ISO and CEC Staff and contains technical analyses regarding powerflow base cases, powerflow contingency analysis, normal operating (n-0 conditions), post-transient studies, transient stability studies, and short circuit studies. (Ibid.) Cal-ISO found that Navigant NCI applied appropriate Cal-ISO Grid Planning Standards in the revised SIS and agreed with Navigant's the NCI-prepared SIS and agreed with NCI's conclusion that MGS would not adversely impact reliability of the ISO Controlled Grid. (Ex. 2, § 9, Figure 9-1.)

Page 81, under Potential Impacts on System Reliability second paragraph, first word:

Change Navigant's to NCI's.

Page 81, footnote 8:

Navigant's initial SIS The initial SIS prepared by the Applicant and submitted with the AFC was incomplete. After consultation with Staff and Cal-ISO, Navigant developed a new System Impact/Facilities Study plan to evaluate MGS conformance with WSCC, Cal-ISO and utility reliability criteria. (Ex. 2, § 9, Attachment 1.) As a result, the Applicant retained Navigant Consulting, Inc (NCI) to perform a System Impacts Study/Facilities Study. NCI subsequently developed a System Impact/Facilities Study plan to evaluate MGS conformance with WSCC, Cal-ISO and utility reliability criteria. (Ex. 2, § 9, Attachment 1) which was reviewed and discussed with the Cal-ISO and Staff. Cal-ISO concurred with Navigant's NCI's new study approach and accepted the revised NCI-prepared SIS. (Id., Figure 9-1; see also, Ex. 34, p. 5.5-10.)

Page 82, first paragraph, fourth line:

Change Navigant to NCI.

Page 82, first paragraph, tenth line:

Change, Codgen to Coldgen.

Page 82, second paragraph:

In accordance with protocol development by Cal ISO, t The SIS is followed by supplemental power flow studies performed by the participating transmission owner, in this case. SCE, with details provided in a Detailed Interconnection Facility Study. (Ex.34, p. 5.5-5.) SCE conducted the additional System Impact Study to identify potential impacts in the SCE system due to the MGS.

Pages 84 and 85, Findings and Conclusions 6, 7, and 11:

6. The Navigant NCI's SIS found no potential downstream thermal overload impacts to the City of Vernon, SCE, or LADWP systems that would result from interconnection of MGS.

7. Navigant's NCI's short circuit study....

11. To mitigate serious minor overload violations on the Lighthipe-Mesa Cal 230 kV line, Applicant will replace wave traps at both ends of the line to 4000-ampere rating.

Page 88, Condition of Certification TSE-5, subparagraph b):

Breakers and busses in the power plan plant switchyard....

TRANSMISSION LINE SAFETY AND NUISANCE

Page 95, Section 2, Potential Impacts, last citation:

(Ex. 1, pp. 2-23, 2-51, 3-8, and 3-9.)

Page 96, third paragraph, second to last citation:

(Ex. 34, p. 4.11-9.)

AIR QUALITY

Page 106, paragraph on Construction, eighth sentence:

...and PM10 standards and further exacerbates violations of the CO and annual

Page 107, second line:

...construction-related impacts to insignificant levels. Staff proposed limits on construction emissions of NO₂ so that the measured ambient air concentrations downwind of the site do not exceed the short-term ambient air quality standard, minus the established background NO₂ concentration. Staff also proposed using the Air District's PM₁₀ ambient air concentration threshold for construction projects. The parties agreed that construction activities would not cause or contribute to an exceedance of ambient air quality standards for CO. (Ex. 46.)

Page 107, add new last sentence to paragraph before Air Quality Table 14:

Regarding Condition AQ-C1, Staff proposed that the City be allowed to develop alternative measures in place of the measures identified in the Condition. We rejected this proposal since we are required to specify the measures intended to mitigate impacts identified in the record. The parties do not have discretion to change the terms of the Conditions of Certification without the review set forth in Section 1769 of the Commission's regulations. (Cal. Code of Regs., tit. 20, § 1769.)

Page 108, citation at end of first paragraph:

(Ex. 34, p. 4.1-20 4.1-37.)

Page 111, Section 5, Mitigation, first paragraph, second sentence:

In addition, the Applicant will use an oxidizing catalyst to limit CO emissions to 2 ppm over a 1-hour 3-hour period, which will also limit VOC emissions to 1.4 ppm over a 1-hour period.

Page 113, last paragraph:

To offset VOC emissions, the Applicant will needs 130 lbs/day of VOC ERCs, which it will purchase the Applicant has already purchased from the open market. (Ex. 45, p. 2. Ex. 38, Air Quality Section.)

Page 116, paragraph following Table 20:

As shown in Air Quality Table 20, except for the 24-hour and annual PM₁₀ violations, cumulative impacts are expected to be below the state and national standards. The result of the dispersion modeling analysis indicated that MGS PM₁₀ emissions represent 64 percent....

Page 119, replace Condition of Certification AQ-C1 with the following:

AQ-C1 The project owner (City of Vernon) shall develop and submit to the CPM for approval an Air Quality Construction Mitigation Plan (AQCMP) using any or all of the elements listed below to maintain construction-related emissions so that the difference between upwind and downwind ambient air concentration does not exceed 235 ug/m³ (averaged over 1 hour) for NO₂ and 50 ug/m³ (averaged over 24 hours) for PM₁₀. The City shall identify the placement of upwind and downwind monitoring for NO₂ and PM₁₀ in the AQCMP. In addition to the measures described below, the City may develop supplemental measures to be approved by the CPM in order to achieve the identified goals.

Page 125, Table AQ-C12-1, Emission Offset Requirements:

Change, Certificate Number AQ004804 to AQ004847.

Page 125, first paragraph after table, first sentence:

The project owner shall request from the District a report of the NSR Ledger Account for the MGS after the District has granting granted the MGS City of Vernon a Permit to Construct and Temporary Permit to Operate.

PUBLIC HEALTH

Page 141, first full paragraph, add new sentence after fifth sentence:

Project emissions were calculated based on the Air District's updated air toxic emission factors, which were developed for AB 2588 Toxic "Hot Spots" source test data. (Ex. 1, p. 5.16-7; Ex. 3, § 5.16.2.4.) These potential TACs were identified from the California Air Toxics Emission Factor (CATEF) version 1.2 database. (Ex. 1, p. 8.6-5.)

Page 144, second paragraph, first citation:

(Ex. 28, p. 2-3; Ex. 34, <u>p. 4.1-34</u>; RT 2/10/03, p. 21 <u>Ex. 37</u>;

Page 146, last paragraph citation:

(Ex. 35, Appendix D, pp. D-1, D-2.) (Ex. 1, § 3.4.7.8.)

WORKER SAFETY AND FIRE PROTECTION

Page 153, end of first paragraph, citation:

(Ex. 34, p. 4.14-10.)

HAZARDOUS MATERIALS MANAGEMENT

Page 156, Section 1, Potential Impacts, first sentence citation:

Page 157, third paragraph, last citation:

Page 158, second paragraph, first sentence:

Applicant performed an Off-Site Consequences Analysis (OCA) to evaluate potential public health impacts in a "worst case scenario" resulting from an catastrophic failure of the storage tank and an alternative scenario addressing accidental release during truck unloading.

Page 158, third paragraph, third sentence:

```
... one mile radius. (Ex. 1, Figure 8.12-1; Ex. 34, p. 4.4-10.)
```

Page 159, first paragraph, third sentence:

Aqueous ammonia will be stored in a double-walled storage tank with a nominal 8,000-gallon tank capacity on a bermed pad with a concrete containment wall. with a maximum capacity of 8,400 gallons. (Ex. 1, p. 8.12-7.)

Page 164, continuation of Condition of Certification HAZ-2, last sentence, and also the Verification to HAZ-2, last sentence:

Copies of the final Business Plan and RMP, reflecting all comments, shall be provided to the CPM <u>for approval</u>.

Verification: ... At least 60 days prior to delivery of aqueous ammonia to the site, the project owner shall provide the final EPA-approved RMP, to the CUPA and the CPM <u>for approval</u>.

Page 165, Condition of Certification HAZ-6 and also, the Verification:

...detailed inspection 30 years days after initial startup....

Verification: ... design review to the CMP CPM for review....

WASTE MANAGEMENT

Page 179, first paragraph, last citation:

(Ex. 1, p. 8.15-5 8-13.5.)

Page 191, third paragraph, last citation:

(*Id.* at p. 4.3-11 4.2-11.)

SOIL AND WATER RESOURCES

Page 195, Section 2, Water Sources, fifth sentence:

The City of Vernon Department of Community Services and Water provided a

"Will Serve" letter stating it can supply the project's 17 gallons per minute (gmp) (gpm) of potable water....

Page 195, last citation:

(Ex. 1, pp. 8.14-4, 8.14-5, Appendix E, Ex. 11, pp. 11-31, 11-32 Ex. 34, p. 4.9-5.)

Page 196, first complete sentence:

The City of Vernon must complete three improvements to the reclaimed water distribution system prior to project start-up, including installation of a booster pump, installation of a approximately nine pressure-reducing stations, at existing recycled water customer sites and installation of 10,000 feet of pipeline.

Page 196, Section 3, Water Supply Requirements, last sentence of first paragraph:

To meet the 1,000 gmp gpm maximum water requirements,

Page 198, Finding and Conclusion 4:

 The project owner will prepare Stormwater Pollution Prevention Plans (SWPPP) and Erosion Sedimentation Control Plans (ESCP) Erosion Control and Sedimentation Plans (ECSP) for the construction and operation phases of the project.

Page 198, Finding and Conclusion 7:

7. Production of reclaimed water by the CBMWDP CBMWD is adequate

Page 201, Condition of Certification SOIL&WATER-7:

The project owner shall complete three the necessary project-related improvements ...including the installation of a booster pump, installation of a approximately nine pressure-reducing stations, at existing recycled water customer sites and installation of 10,000 feet....

CULTURAL RESOURCES

Page 202; last sentence of the last paragraph:

In addition, structures older than 50 years <u>45 years</u>, or less if determined to be <u>exceptional</u>, could be considered for listing as significant historic structures.

Page 203, last citation:

(Ex. <u>1</u>, p. 8.3-8, Appendix J; <u>Ex. 29</u>.)

Page 204, third paragraph, third sentence:

The <u>potential</u> proposed district consists of the historic, pre-World War II, industrial core of the City of Vernon.

Page 206, Finding and Conclusion 1:

 There are no known archaeological or historic resources within or adjacent to the critical Area of Potential Effect (APE) except for City of Vernon Station A and the City of Vernon Historic District.

GEOLOGY AND PALEONTOLOGY

Page 216, second paragraph, last citation:

(Ex. 34, pp. 5.2-3, 5.5-4 <u>5.2-4</u>, 5.2-7.)

TRAFFIC AND TRANSPORTATION

Page 235, Section 1, Construction Impacts, first paragraph, last sentence:

Work hours will be <u>either</u> from 7 a.m. to 3:30 p.m., <u>Monday through Friday, or 7 a.m. to 5:30 p.m., four days a week,</u> to allow the workforce to travel to and from the site at off-peak traffic hours. <u>The four-day workweek would substantially reduce traffic impacts during worker commuting hours.</u> (Ex. 1, p. 8.10-5; Ex. 34, p. 4.10-9.)

VISUAL RESOURCES

Page 248, second paragraph, first sentence:

Construction of the <u>1,100-1,300-foot</u> long natural gas and 1,300-foot wastewater discharge pipelines is expected to last about one month.

Page 248, after second paragraph add the following new paragraph:

The visual impacts of construction will not be significant because power plant construction will occur in the context of a low visual quality industrial setting in which large construction equipment and the visual chaos associated with construction will not be conspicuously out of character, and because pipeline construction activities will be transitory and will primarily occur within industrial areas. Therefore, no significant adverse visual impacts are anticipated.

Page 250, first paragraph, citation:

(Ex. 34, pp. 4.2-9 4.12-9 to 4.2-12 4.12-12.)

Page 250, revise heading Nighttime Lighting as follows:

Change Nighttime Lighting to Nighttime Lighting and Light or Glare

Page 251, Finding and Conclusion 2:

2. <u>Power plant c</u>Construction activities will occur in the industrial zone where large construction equipment and the visual chaos associated with construction are not conspicuously out of character for the area. <u>Pipeline construction will be transitory and will primarily occur within industrial areas.</u>

Page 253, both Conditions of Certification VIS-2 and VIS-3 verifications:

At least 30 days p₽rior to the start of commercial operation ...

NOISE

Page 256, first paragraph, third sentence:

In addition, operation of the turbines <u>facility</u> may generate vibration <u>and acoustic</u> noise that could affect nearby properties.

Page 257, under "The Setting", second sentence:

Under the City's Noise Element, facilities in the area zoned "General Industrial" cannot be exceed 75 dBA ...

Page 258, third paragraph, last sentence:

(For an explanation ... Table Appendix A-1 at the end of this section.)

Page 259, first full paragraph, second sentence:

A series of ... few minutes, will be could be performed ...

Page 266, Condition of Certification **NOISE-8**, delete last paragraph before Verification:

The project owner shall transmit to the CPM in the first Monthly Construction

Report a statement acknowledging that the above restrictions will be observed throughout the construction of the project.

SOCIOECONOMICS

Page 273, first paragraph, second citation:

(Ex. 1, § 8.8.2.3; Ex. 34, p. 8.8-5 4.8-5.)

Page 273, second paragraph:

The total project costs for the MGS is \$130 \$142 million.⁵² (Ex. 34, p. 4.8-4 4.8-5.)

Page 274, second paragraph, seventh line, first word:

...minority/low income

Page 275, second paragraph, last sentence:

Since the MGS will not result in significant adverse effects to any population,

Page 277, Finding and Conclusion 7:

7. The MGS will spend an estimated \$58 million on locally purchased materials and equipment during construction. The project will generate about \$4.6 million in taxes from sales in Los Angeles County for the acquisition of \$58 million in equipment.

APPENDIX C: Exhibit List, page 5:

EXHIBIT 46 Staff's Errata to Presiding Member's Proposed Decision, concerning Condition of Certification AQ-C1, docketed May 7, 2003. Sponsored by Staff; admitted into evidence on May 7, 2003.

COMMITTEE ORDER

The Errata listed hereinabove are adopted by the Committee and incorporated into the PMPD for consideration by the full Commission.

By Order of the Committee.

Dated May 16, 2003, at Sacramento, California.

JAMES D. BOYD Commissioner and Presiding Member Malburg AFC Committee

ROBERT PERNELL

Commissioner and Associate Member Malburg AFC Committee